

RESOLUTION NO. 2010.63

A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF
TEMPE, ARIZONA, AUTHORIZING THE CITY MANAGER
OR HIS DESIGNEE TO NEGOTIATE A MODIFICATION AND
POTENTIAL SETTLEMENT AGREEMENT WITH REGARD
TO THE GRIGIO PROJECT

WHEREAS, the City of Tempe and GDG Partners, LLC are parties to a Payment Agreement dated as of November 1, 2006 (c2006-301), as modified through the date hereof (the "Payment Agreement").

WHEREAS, City desires to authorize the City Manager to discuss the potential for settlement and/or compromise of the remaining obligations under the Payment Agreement and related documents in light of current economic conditions and developer's pending bankruptcy.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY
OF TEMPE, MARICOPA COUNTY, ARIZONA, AS FOLLOWS:

SECTION 1: That the City Manager or his designee is authorized and directed to negotiate and, after obtaining any requisite approvals and consents, if agreement is reached on all terms the City Manager deems material and if the City Manager determines such agreement to be in the best interests of the City, to enter into a modification and/or settlement agreement regarding the Payment Agreement and other documents related to the Grigio project, all on such terms as the Manager approves provided that the amount to be received by the City is not less than \$4,856,387, of which \$1,836,387 represents deferred sewer and water development fees. The City Manager is further authorized and directed to execute such other documents and take such actions as are necessary to implement the terms of this Resolution.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF TEMPE,
ARIZONA this 20th day of May, 2010.

Hugh L. Hallman, Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney